

TRAVEL TRAILER/CAMPER EXCISE TAX
RCW 82.50
(NOTE: tax was repealed, effective January 1, 2000)

Tax Base Value of travel trailers and camper units. The tax was measured by the manufacturer's base suggested retail price when the unit was new. Applied to the original base value was a statutory depreciation schedule which reduced the taxable value of the unit each year until the 16th year, when the value became and remained at 20 percent of the original retail price.

Tax Rate No longer imposed.

Levied by (NOTE: Until the year 2000 the state levied an annual excise tax of 1.1 percent on campers and travel trailers, pursuant to RCW 82.50.400. Also, a clean air excise tax of \$2.00 per vehicle was imposed. Both taxes were repealed by Initiative 695 approved by the voters in November, 1999. Although the Initiative was subsequently declared unconstitutional, the Legislature effectively repealed the tax by enacting SB 6865, Chapter 1, 1st Special Session, Laws of 2000 which was effective on January 1, 2000.)

Recent Collections (\$000)

<u>Fiscal Year</u>	<u>Collections</u>	<u>% Change</u>	<u>% of All State Taxes</u>
2001	--	--	--
2000	\$2,690	(58.9)%	0.0%
1999	6,538	5.8	0.1
1998	6,179	4.0	0.1
1997	5,939	6.1	0.1
1996	5,595	4.2	0.1
1995	5,370	4.9	0.1
1994	5,118	11.0	0.1
1993	4,612	8.6	0.1
1992	4,246	6.0	0.1

Administration Department of Licensing. The tax was paid annually by owners to the Department, county auditors or other authorized agents when they licensed the units. Licensing occurred on a "staggered" basis, according to the day on which the unit was first licensed. The Department of Revenue was authorized to collect any unpaid excise tax including any applicable penalties and interest.

Previous Distribution of Receipts

1.1% Rate:

13.64% cities on the basis of population;

13.64% counties in proportion to the amount of travel trailer/camper tax paid in each county;

63.64% state general fund for funding of basic education;

9.08% state transportation fund pursuant to RCW 82.44.180 to be used exclusively for transportation purposes.

\$2.00 Tax: air pollution control account for use by the Department of Ecology.

Exemptions

- unoccupied units held for sale in inventory of a dealer or manufacturer (dealers may use travel trailers upon payment of a tax of \$2);
- travel trailers and campers owned by any governmental entity;
- travel trailers and campers owned by nonresidents, if properly licensed in another state and not required to be licensed in Washington;
- travel trailers with a dealer's license.

History

"House trailers" were initially included in the motor vehicle excise tax in 1943 at the rate of 1.5 percent of fair market value. Prior to that time they were subject to assessment as personal property. In 1957 the rate was reduced to 1.0 percent for house trailers. In 1965 the rate was again increased to 1.5 percent. Mobile homes were distinguished from travel trailers in 1967. In 1971 a separate statute imposing tax on mobile homes and travel trailers was enacted and the rate was increased to 2.0 percent. The following year pickup campers were added to the tax and the rate was reduced to 1.0 percent. In 1973, mobile homes that are permanently affixed to real estate were removed from the tax and subject to property tax. In 1990 a 0.1 percent surcharge was added to the rate, effective September 1, 1990, with the receipts earmarked for state transportation purposes. The additional tax for the air pollution account was instituted in 1991 at \$2.25 per unit; the rate was reduced to \$2.00 in 1994. The excise tax rate structure and distribution formula was revised, effective January 1, 1999, with the approval of Referendum 49 by the voters in November, 1998.

Until September 1, 1990, the valuation of travel trailers and campers, along with motor vehicles, was determined by the Department of Revenue. In 1990 this function was transferred to the Department of Licensing.

At the November, 1999 election the voters approved Initiative 695 which replaced the travel trailer/camper tax with a maximum annual license fee of \$30 per unit. Although the initiative was subsequently declared unconstitutional, the Legislature effectively repealed the tax by enacting SB 6865, Chapter 1, 1st Special Session, Laws of 2000, which was effective on January 1, 2000.

Discussion/Major Issues

The travel trailer/camper excise tax was in lieu of property tax. Although some of the revenue was shared with local government, the distribution formula did not approximate the distribution of levies among property taxing districts. Further, the rate did not necessarily correspond with the property tax rate. Nonetheless, the statewide excise tax brought greater uniformity of tax burden for owners of travel trailers and campers than would have been the case under the property tax.

Legislation enacted in 2000 (RCW 84.36.595) stipulated that travel trailers and campers would remain exempt from property taxation, regardless of whether they were subject to a separate excise tax.